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THE SOCIAL STOCK EXCHANGE:  
A QUANTITATIVE EXPLORATION

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## **Abstract**

We introduce the Social Stock Exchange (SSE), by presenting its work, structure and brief history. The main goal of the SSE is to promote accountability and transparency in the relationship between the donors (*Social Investors*) and NGOs, which allows for a privileged access to data and information about the projects listed. Hence, this study exploits all the information made available by the SSE and constructs two original models in order to measure the effectiveness of the projects listed in the SSE in a transparent, verified and measurable manner. Furthermore, these two measures are a first attempt to overcome two main challenges concerning the study and the practice of NGO/NPO effectiveness: the ambiguity of the term “effectiveness” and the lack of empirical evidence.

**Keywords:** Aid, Transparency, Effectiveness, Evidence.

## 1. Introduction

*“Why don’t we create a social stock market, where all the social businesses are listed and we can buy shares of those companies that we feel excited about.”*

(Prof. Muhammad Yunus, Nobel Peace laureate)

The world’s first Social Stock Exchange (SSE) was created in São Paulo, Brazil, in 2003 and it was an original initiative of the former Brazilian Stock Exchange (BOVESPA<sup>1</sup>).

The SSE can be defined as a recreation of the environment of regular stocks markets where are not exchanged stocks of corporations, but *Social Stocks* of Non-Governmental Organizations (NGOs)<sup>2</sup>. In other words, in the SSE a *Social Investor* can support a project from the Organizations listed by buying their *Social Stocks*. Therefore, the statement presented above from Muhammad Yunus expresses exactly the vision and the mission of the SSE.

*Social Stock* and *Social Investor* are specific terms used by the SSE to describe, respectively, the unit of donation established by the SSE (fixed price of €<sup>3</sup>) and the person or corporation interested in assisting a social project (a donor). A *Social Investor* can choose the project(s) listed that most fits his preferences and then buy a minimum of ten *Social Stocks* (€10), which can all be exclusively from one project or spread across several projects - by building a portfolio. This investment can be made through the website of the SSE<sup>4</sup> where all the projects are listed. Then, the amount will be fully transferred to the project(s) chosen, without any deductions for commissions or other fees by the SSE.

Moreover, since each *Social Stock* has a fixed price of €1, the total number of stocks available to purchase from each project listed reflects the value needed by the

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<sup>1</sup> The current Brazilian Stock Exchange is BM&FBOVESPA, an institution created in May 2008 by the fusion of BOVESPA with BM&F, the Brazilian Stock Exchange of commodities and futures.

<sup>2</sup> Non-Governmental Organizations with a legal constitution of not-for-profit or for-profit when the profits are used entirely to fulfill the social goal of the organization and to benefit the communities where it act – this group can also be denominated, in a more general form, as Civil Society Organizations. Further details about the nature of NGOs are given in section 2.1.

<sup>3</sup> All the prices in this section are referred to the Portuguese case.

<sup>4</sup> Portuguese site: [www.bvs.org.pt](http://www.bvs.org.pt); Brazilian site: [www.bovespasocial.com.br](http://www.bovespasocial.com.br)

Organization to put it in practice. When all the *Social Stocks* of one project are sold, it leaves the website of the SSE and another project can be listed.

The Organizations' projects listed in the site of the SSE were previously submitted to a careful process of selection<sup>5</sup> conducted by the association responsible for the technical management and communication of the SSE – Atitude<sup>6</sup>. The social projects chosen are those which are able to provide effective answers to the more urgent social issues, breaking somehow a poverty trap or eliminating one situation of social vulnerability. Hence, this thoughtful selection works as a guarantee for the *Social Investor* that his investment is safe and will generate certainly positive results in the communities where it acts – a *Social Profit*<sup>7</sup>. Furthermore, after the projects are listed and start receiving funds, they are continuously audited by Atitude until they are completely funded. This association is in charge for the accountability of each project and periodically publishes *Social Impact*<sup>8</sup> Reports, in order to assure that every investment is creating *Social Profits*.

The main goal of the SSE is not only to promote and facilitate the meeting between the Organizations and the *Social Investors*, but also to create transparency in their relationship. Therefore, when a *Social Investor* decides to invest in the SSE he has access, in the SSE website, to all the relevant information respecting each Organization and its project in order to make a careful choice. Moreover, after the investment is made, the *Social Investor* can constantly monitor it because he has exclusive access at any time to the accounting of the project(s) chosen and to the *Social Impact Reports* periodically published by Atitude<sup>9</sup>.

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<sup>5</sup> For further details about the selection process and criteria see the appendix, section 8.1.

<sup>6</sup> Atitude was originally created in December 1999 in Brazil by Celso Grecco as a consultant agency for social responsibility and sustainability, Atitude & Pensamento Estratégico Marketing Social. However, its denomination and legal constitution were changed in December 2008, and Atitude became a non-profit Organization. Moreover, Atitude – Associação pelo Desenvolvimento do Investimento Social was legally established in Portugal in June 2009 as non-profit non-Governmental Organization.

<sup>7</sup> A *Social Profit* is achieved when the project is meeting its expectations, i.e. is producing the expected results on the communities affected and contributing for the actual development of these communities.

<sup>8</sup> The *Social Impact* of a project can be defined as the verified positive results of the project in the community affected, in terms of development, poverty reduction and betterment of the living conditions.

<sup>9</sup> For complete details about the projects' monitoring, please see the appendix, section 8.2.

This aspiring demand for transparency is an extremely important feature of the SSE, because, as a consequence, it is able to provide trustable and safe investments with effective and sustainable results in the communities affected, promoting a stable development. On the other hand, it also allows for a privileged access to information and data about the organizations, their projects and their overall performance. This information is privileged because it will be much more difficult to obtain, with such accuracy, for similar projects and organizations not listed in the SSE.

This study exploits all the information made available by the SSE and constructs two original quantitative models in order to measure the effectiveness of the projects that had been listed in the SSE<sup>10</sup> in a transparent, verified and mensurable manner. The first model defines effectiveness in terms of the time needed by a project to sell all its *Social Stocks (Duration)*, and in the second model effectiveness is defined by the average value the project was able to collect per month while in the SSE's website (*Amount per Month*). These two measures of performance are a first attempt to overcome the main challenges concerning the study and the practice of Non-Governmental effectiveness identified in the related literature: the uselessness of uni-dimensional measures of effectiveness, the ambiguity of the term "effectiveness" and, foremost, the lack of empirical evidence. This last challenge has hindered the usefulness of the literature on NGO effectiveness and there is general consensus that for this literature to evolve and be more practically useful it has to contain more empirical analysis. Our study deals considerably well with the last two issues, and deals also with the first one, though not as well.

Therefore, the structure of this work will be the following: next section introduces the nature of NGOs - definition, work, structure and brief history – and then reviews the literature on the NGO effectiveness, discussing the key trends and downfalls verified in this previous research. Section 3 presents briefly the history of the Social Stock Exchange. The main goal of this section is to provide a better understanding of the

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<sup>10</sup> All projects already funded and that had left the Brazilian SSE.

SSE's essence – why and how it was created, its mission, why it is so innovative, and its actual results and implications. Subsequently, Section 4 goes over the data collected from the SSE website and the methodology followed in this study. Section 5 uses OLS regressions both to address the impact of the environment surrounding the NGOs on the amount needed to implement their project and to compute the two models measuring the projects' effectiveness in the SSE. The results are analyzed in the end of this section. Finally, section 6 concludes. References and additional appendices are provided in sections 7 and 8, respectively.

## **2. The Nature and Effectiveness of NGOs<sup>11</sup>**

### **2.1 The Nature of NGOs**

In order to analyze and understand the work and the structure of Non-Governmental Organizations (NGOs) we have to first define Third Sector Organizations, which are organizations with a vast spectrum of activities from political pressure groups to arts and hobby groups. They are called third sector organizations because “they form an important arena of social, economic and political activity alongside the state and the market, and they have come to play increased roles in public policy” (Lewis 2001). NGOs are an important sub-group of the third sector organizations, which is generally engaged in poverty reduction, human rights and environmental concerns at local, national, and global levels. Thus, NGOs have been commonly perceived as a counterweight to the excesses of the state and the market. The structure and nature of operations of NGOs diverge considerably among them and, therefore, a great diversity of organizations can be categorized as NGOs - small or large, informal or formal, externally funded or conducted by volunteers; or combining simultaneously several different elements.

Another important category of Third Sector Organizations are the Non-Profits Organizations (NPOs), which are organizations that may be involved in profit-making activities, but where all the earnings are then used into the organization's activities or to

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<sup>11</sup> For the sake of simplicity it was used the term NGO, which also refers to Non-profit Organizations.

benefit the communities where they intervene, instead of being distributed to shareholders as the case of for-profit corporations. Generally, most of the Non-Governmental Organizations can also be considered as Non-Profits.

The literature on NGOs is relatively recent and it has evolved as this group of organizations was gaining recognized importance in the development sector. However, the recent emergence of NGOs can be considered as a false impression. Local third sector organizations have always existed, usually working unnoticed in the form of local religious organizations or community groups, but was just recently that these organizations entered into the development mainstream (Lewis, 2001).

## **2.2 Measuring NGO Effectiveness**

The literature on the effectiveness of Non-Governmental Organizations (NGOs) and Non-Profit Organizations (NPOs) is relatively recent. It has appeared as a subset of the broader study of organizational effectiveness and has gained more relevance recently due to the increasing demands brought on NGOs and NPOs, demanding more accountability, transparency and financial responsibility (Unerman and O'Dwyer, 2006; Ebrahim and Weisband, 2007; Brown, 2008; Lecy *et al.*, 2009).

Following a study by Lecy *et al.* (2009), where they review the academic literature on organizational and NGO/NPO effectiveness (sixty-four articles), there can be identified three main trends in this type of research: a lack of empirical analysis; an ambiguity associated with the use of the term “effectiveness”, since this term is frequently not defined or it is not provided a complete definition; and lastly, a general consensus about the uselessness of the uni-dimensional measures<sup>12</sup> of effectiveness, in other words, there is “an agreement that singular measures of organizational effectiveness are not useful”(p. 14). Regarding this last trend, the authors made a remark saying that although these uni-dimensional measures are often considered as useless, they are still used in practice, generally due to a lack of tractable alternatives.

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<sup>12</sup> Uni-dimensional measures of effectiveness take only in to account one isolated realm of the organization operations, namely its goal attainment, resources control or reputation, etc.

Considering the second trend about the lack of empirical analysis in the research of NGO/NPO effectiveness, it is also mentioned in this work by Lecy *et al.* (2009) the existence of a correlation with the scarce number and poor quality of program evaluations conducted by non-governmental and non-profits organizations on their programs. In a study made by Richard Hoefer<sup>13</sup>, the costs and the preferences of the donors were pointed out as the main reasons for this lack of program evaluations – either there is not enough money to conduct an evaluation or hire a consultant, or their donors do not require an evaluation.

Another important review of the literature on the Non-profit Organization effectiveness is the one from Forbes (1998). In this article, Forbes reviews empirical studies of non-profit effectiveness from 1977 to 1997 because, as he mentions, “the empirical literature on nonprofit effectiveness has never been comprehensively reviewed. As a consequence, it is relatively less well known and remains largely unintegrated with theoretical work on the subject” (p. 184). The author also states that the study of organizational effectiveness is “especially problematic in the context of nonprofit organizations” (p. 184), and he attributes two main reasons for that. On one hand, their characteristic legal and financial status does not allow them to be assessed using the most common measures of for-profit effectiveness, like profitability or stock market performance. On the other hand, the fact that non-profit organizations often have unstructured goals and offer intangible services hinders the development of alternative quantitative measures. This last reason converges to one of the trends identified before in the work of Lecy *et al.* (2009) - the ambiguity of the term “effectiveness” - because, as Forbes cites, “this last point implies that any discussion of effectiveness must begin with an equally problematic discussion about which – or more precisely whose – criteria of effectiveness are to be employed” (p. 185).

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<sup>13</sup> In his study “Accountability in action? Program Evaluation in Non-profit Human Services Agencies” (2000), he conducted a survey of NPO human services in Dallas, Texas, asking whether a program evaluation of their largest program had take place in the past two years.



In the last decades, the literature on NGO/NPO effectiveness has evolved in order to overcome all the challenges referred above in a process that can be represented, essentially, by the general rejection of uni-dimensional measures of effectiveness. However, this rejection led to the development of more complex models, multi-dimension models, which are very difficult to be applied in the empirical research or in practical evaluations. An example of these more complex models is the one developed by Sowa *et al.*<sup>14</sup> (2004), which captures two important dimensions of organizational effectiveness, management effectiveness and program effectiveness. Other multidimensional approach worth of mention is the “Balanced Scorecard” (Kaplan & Norton, 1992; Kaplan, 2001), which is an approach to strategic management that incorporates financial measures and also measures of customer relations, operating performance of critical internal processes, and organizational learning and growth.

Concisely, the literature on the NGO/NPO effectiveness has experienced an excellent theoretical development, however, not yet met by an equivalent empirical development – “scholars and practitioners continue to use uni-dimensional measures because of a lack of alternatives and/or difficulties of applying and operationalizing more complex models” (Lecy *et al.*, 2009: p. 32).

In this study we use two uni-dimensional models to measure the effectiveness of the NGOs’ projects listed in the SSE – *Duration* and *Amount Funded per Month* – and both can be categorized as “goal attainment” models.

### **3. Social Stock Exchange – Brief History**

The world’s first Social Stock Exchange was created in São Paulo, Brazil, in 2003 – the BVS&A<sup>15</sup>. It was an initiative of the former Brazilian Stock Exchange, BOVESPA, in association with the Brazilian firm Atitude & Pensamento Estratégico Marketing Social. BOVESPA wanted to contribute actively for the sustainable development of Brazil and to be a recognized part of the solution for its pressing social issues. Hence, even before

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<sup>14</sup> The *Multidimensional and Integrated Model of Nonprofit Organizational Effectiveness* or the “MIMNOE”

<sup>15</sup> For a complete overview of the BVS&A’s history see Zandee (2004).

the creation of the SSE, BOVESPA had for decades made regular donations and supported NGOs initiatives in São Paulo area. However, early in 2003 BOVESPA's leadership started to evaluate its social program and question its approach of spreading available funds over several projects. There were internal discussions about the concepts of "corporate governance" and "transparency", and they wanted to know clearly how their money was being used by NGOs, if their donations were having any social impact or if their support was causing any positive transformations in the NGOs. Therefore, in order to find the right way to obtain the answers to these questions, BOVESPA's Board of Governors sought the advice from some consulting firms specialized in corporate social responsibility services<sup>16</sup>. One of these firms was Atitude Marketing Social, which suggested that BOVESPA should launch a Social Stock Exchange.

BOVESPA had all the relevant tools to make the SSE a success. On one hand, they had the expertise, knowhow, rules and language to contribute for the SSE's well-functioning. On the other hand, BOVESPA was a well-established stock exchange whose prestige would add credibility to the NGOs and projects listed, and expand their access to the necessary funds.

The Brazilian SSE started its operations in October 2003 with the beginning of the exchange, in its website, of *Social Stocks* from the first NGOs' projects listed. The main focus of the SSE program was on education projects benefiting children and youth (with age range from 7 to 25 years old) living poor in Brazilian communities. Also, they wanted to have NGOs representing all regions of Brazil, since generally the small organizations from remote areas of the country are less visible than the large NGOs and little is known about their work, which gives them less access to available funds. Thus, being listed in the SSE publicizes their activities and increases their possibilities of

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<sup>16</sup> This firms provide consulting services to corporations in order to build them a business plan supported by law, ethical standards and international norms, where they embrace responsibility for the impact of their activities on the environment, employees, consumers, communities, stakeholders and other members of the public sphere.

attracting donations. To date, 80 projects had already left the website of the Brazilian SSE with a total amount funded of approximately R\$10 million (€4,3 million)<sup>17</sup>.

BOVESPA with the creation of the SSE was recognized as an example of how financial markets can be mobilized for the purpose of social development and poverty reduction. Therefore, in a United Nations Global Compact<sup>18</sup> meeting, in March 2004, the SSE was adopted as a case study and model to be followed by stock exchanges globally. Later on, BOVESPA decided to join the UN Global Compact, in April 2004, and became the first stock exchange worldwide to be a part of this initiative that promotes responsible global corporate citizenship. Furthermore, UNESCO gave its stamp of approval to the SSE and supported BOVESPA in this project.

Finally, the last significant remark in the history of the SSE was the creation of the Portuguese SSE in November 2009– *Bolsa de Valores Sociais*<sup>19</sup>. There are also plans for the creation of a third Social Stock Exchange in Africa, probably in Zambia.

#### **4. Data and Methodology**

The main propose of this work is to study the effectiveness of the NGOs' projects listed in the SSE mainly using the data available in the SSE's website. To accomplish that, we focused on the 80 already funded projects from the Brazilian Social Stock Exchange<sup>20</sup>.

In the Brazilian SSE's website, it is possible to access all the relevant details about the projects currently listed and that were previously funded, namely: the careful description of the work done by each NGO and the mission of each respective project;

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<sup>17</sup> Another historical fact worth of mention about the Brazilian SSE was the fusion of BOVESPA with BM&F, the Brazilian stock exchange of commodities and futures, in May 2008. From this fusion was created a new institution BM&FBOVESPA. Since the official announcement of the fusion, in March 2008, all the operations of the SSE were affected and its overall performance was compromised. During this period of adaption, the accountability of the projects and the publication of their *Social Reports* were somehow neglected. Nowadays, the operations are being normalized, but during a long period of time not many projects entered or left the Brazilian SSE.

<sup>18</sup> "The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption" - definition quoted from the Organization's website: [www.unglobalcompact.org](http://www.unglobalcompact.org).

<sup>19</sup> It is the world's second SSE and was created in Lisbon, also by an initiative of Atitude in association the Euronext Lisbon and with the support of Fundação EDP and Fundação Calouste Gulbenkian. To put in place this new SSE, €160 000 were needed and, with only a few months of operation, it already has 19 projects listed, representing a possible social investment of approximately €2 million.

<sup>20</sup> The Portuguese SEE is too recent and none of its projects has been already entirely funded.

and all their important contacts. From there we were able to gather most of the important features concerning each project of our sample, specifically:

- i) the main area of intervention - Social or Environmental;
- ii) its major theme within the area of intervention - Education, Citizenship or Entrepreneurship for Social projects, and Education or Sustainability for Environmental projects;
- iii) the value needed to implement the project, i.e. the total amount funded;
- iv) the period of time it had stayed in the SSE website until being completely funded - the date of entry and the date of exit;
- v) and, the Brazilian State and city where the NGO is located and its project intervenes.

After gathering this information, we were able to discern further details about the projects that might affect their effectiveness and should be taken into account. Specifically, by knowing the city where the NGO is located we were capable of obtaining information on whether it is located in a rural and/or coastal area, and at what distance it is from the city of São Paulo – where the Brazilian SEE is located. Furthermore, once the city of location was identified, it was possible to evaluate its economic environment by looking at its GDP per capita – city's GDP per capita<sup>21</sup> was used as a proxy for the economic context affecting each project.

In line with this, other important features that should be considered in our study are the project's name and the name of the NGO responsible. When investing in the SSE, the first characteristic being noticed by the *Social Investor* is the name of the NGO and then the name of its respective project. Hence, depending on whether these names appeal or not to the *Social Investor*, his willingness to support the project might be affected positively or negatively. As a consequence, “the appeal” of these names can affect the effectiveness of the NGOs' projects listed in the SSE and should be taken into account while measuring their performance. Therefore, in order to include this effect in our

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<sup>21</sup> It was also obtained the state income per capita. However, we just used the city income per capita because it gives more precise information.

study, we conducted a survey where it was requested to select the ten favorite projects to invest in based only on the names of the 80 NGOs and their respective projects in our sample, ordering them from the most to the least (tenth) favorite, i.e. it was asked to create a ranking with the ten preferred projects to invest. With the surveys' results we obtained the variable *Name Rank*<sup>22</sup> (a dummy variable), which takes the value 1 when the project was present in the ranking of at least one survey, and the value 0 otherwise.

With the information available in the Brazilian SSE's and with the results of the surveys, it was possible to gather (directly and indirectly) all the variables used in our study of effectiveness. These variables are presented in table 1.

**Table 1 – Summary Statistics**

<b>Variable</b>	<b>Subject</b>	<b>Variable</b>	<b>Subject</b>
<b>Amount Funded</b>	Total amount funded	<b>Coast</b>	Coastal location
<b>Amount per Month</b>	Average amount funded per month	<b>Social Education</b>	Main themes of Social projects
<b>Duration</b>	Time spent in SSE	<b>Citizenship</b>	
<b>City Income</b>	City's GDP per capita	<b>Environmental Education</b>	Main themes of Environmental projects
<b>Distance</b>	Distance to São Paulo city	<b>Sustainability</b>	
<b>Rural</b>	Rural location	<b>Name Rank</b>	One of the ten favorite names in the survey

*Notes:* 1. "Rural", "Coast", "Social Education", "Environmental Education", "Citizenship", "Sustainability" and "Name Rank" are dummy variables. 2. Variables not controlled by the NGOs: "Amount Funded", "City Income", "Distance", "Rural" and "Coast". 3. Variables controlled by the NGOs: "Social Education", "Environmental Education", "Citizenship", "Sustainability" and "Name Rank". 4. By the inclusion of dummy variables to represent the five possible projects' themes, only four variables had to be included, being omitted one: the entrepreneurship thematic, which is implicitly represented by "Social Education" = "Environmental Education" = "Citizenship" = "Sustainability" = 0. 5. For further details on the variables' construction (definition, unit and source) please see the appendix, section 8.3.

<sup>22</sup> In the surveys conducted it was also asked to classify the name of every NGO and its respective project as "not appealing", "appealing", "very appealing", by grading the projects from 1 to 3 points, respectively. Thus, with the surveys' results we also obtained the variable *Name*, which was the average classification attained by each project. However, this variable was not included in our study because it was not able to provide significant and conclusive results.

In an early stage of our work, in section 5.2, we proposed to study the impact of the environment faced by the NGOs on their choice of the total amount needed to put the project in practice – total amount funded. Thus, we performed a first econometric specification where *Amount Funded*<sup>23</sup> was regressed on all NGO characteristics exogenous to the NGO itself, mainly related to location such as: *City Income*, *Distance*, *Rural* and *Coast*.

Subsequently, in section 5.3, the actual study of the project's effectiveness was performed, by applying two uni-dimensional models. In the first model, effectiveness is defined in terms of the time needed in the SSE's for a project to be completely funded – we considered as more effective those that needed less time to raise the required funds. Thus, other econometric specification was executed in order to measure the impact of all the project's inherent characteristics on the time it had spent in the SSE's website until being entirely funded (*Duration*), i.e. an OLS regression was run explaining *Duration* by the control variables: *Amount Funded*, *City Income*, *Distance*, *Rural*, *Coast*, *Social Education*, *Environmental Education*, *Citizenship*, *Sustainability* and *Name Rank*.

Finally, we computed the second model of performance, where effectiveness is now defined by the average amount that the project was able to gather each month while in the SSE's website (*Amount per Month*) – and we considered as more effective the ones that were able to gather the higher amount. Therefore, in this last econometric specification we measured the impact of all the project's intrinsic features on its ability to gather funds each month, i.e. it was run an OLS regression very similar to the previous one, where the same control variables were included but to explain *Amount per Month* instead.

These three steps were performed for the sample with all the 80 finished projects included, and also for four additional relevant subsets within this main sample: a subset containing only Social projects, the core area of SSE's intervention; other two subsets

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<sup>23</sup> All names mentioned onwards in italic are referred to the variables presented in Table 1.

including just projects of NGOs located, respectively, outside the state and outside the city of São Paulo - where the Brazilian SSE is situated; and a last subset concerning exclusively the projects that were not affected by the announcement of Brazilian Stock Exchanges' fusion, i.e. the projects that had left the SSE's website before this announcement.

## 5. Discussion

### 5.1 Amount Funded

Firstly, we were interested in studying the impact of the environment surrounding the NGO on the amount needed to implement its project. Thus, we ran a first econometric specification to explain *Amount Funded* where the following control variables were included: *City Income*, *Distance*, *Rural* and *Coast*, obtaining:

$$Amountfunded_i = \beta_0 + \beta_1 Cityincome_i + \beta_2 Distance_i + \beta_3 Rural_i + \beta_4 Coast_i + \mu_i \quad (1)$$

where  $i$  corresponds to the project. The results are exhibited in Table 2.

**Table 2 – Section 5.1 results**

<b>Dependent Variable: Amount Funded</b>					
<b>Variables</b>	<b>All Projects</b>	<b>Social Projects</b>	<b>Outside SP State</b>	<b>Outside SP City</b>	<b>Exit before AF</b>
<b>City Income</b>	-0,696472 (-0,524767)	-1,550335 (-0,957722)	-0,054995 (-0,033696)	-0,841558 (-0,601590)	-1,553448 (-0,981233)
<b>Distance</b>	-13,89512 (-2,714718)*	-15,12630 (-2,43898)**	-10,99933 (-1,8558)***	-13,51237 (-2,54745)**	-16,75505 (-2,5065)**
<b>Rural</b>	30303,88 (2,497496)**	30518,58 (2,003850)**	38130,24 (2,836394)*	30696,37 (2,407051)**	28903,95 (1,861484)**
<b>Coast</b>	15667,61 (1,542299)	20512,27 (1,74424)***	25377,21 (2,237644)**	16687,68 (1,582533)	14971,68 (1,221619)
<b>R-squared</b>	0,116910	0,118287	0,185623	0,148158	0,096054
<b>Obs.</b>	80	69	52	60	70
<b>F-statistic</b>	2,482264	2,146487	2,678214	2,391484	1,726738

*Notes:* 1.Columns represent all 5 executed regressions. 2. The first row represents the coefficient and the second row in parenthesis presents the robust t-statistic (\* denotes significance for  $\alpha = 1\%$ ; \*\* for  $\alpha = 5\%$ ; \*\*\* for  $\alpha = 10\%$ ). 3. “SP” stands for “São Paulo” “AF” for “Announcement of the Fusion”. 4. For a complete description of the variables and subsets, please check the appendix, respectively, section 8.3 and 8.4.

Two main conclusions must be retained from the results for the main sample, presented in the first column of the table. On the one hand, NGOs situated in rural areas require a higher amount to put into practice their projects (the coefficient on *Rural* is positive and significant for  $\alpha = 5\%$ ). This fact might be explained by the pressing social and income inequalities experienced in Brazil between urban to rural areas. Brazil's rural areas are the country's poorest and least developed regions, where people live in precarious conditions, necessitating an effective support in all crucial aspects of development: education, health, infrastructures and technology. Thus, this might explain why a project in a rural area might require a larger financial effort to address properly the community's needs.

On the other hand, NGOs located at a higher distance to the city of São Paulo need a minor value to implement their projects (the coefficient on *Distance* is negative and significant for  $\alpha = 1\%$ ). One possible explanation for this negative impact can be supported by the historical background of the Brazilian SSE introduced in section 3, since the idea behind its creation emerged from the pressing demand for accounting and transparency in the donations already being given by BOVESPA to NGOs' initiatives in São Paulo area. Therefore, due to tradition, NGOs located closer to the city of São Paulo might find themselves more able to request higher values to implement their projects. Moreover, there is a positive interest bias on the part of investors towards NGOs intervening in São Paulo area. That is, São Paulo is the richest metropolitan area and the economic centre of Brazil, thus, the higher values and the majority of the investments are expected to come from individuals or corporations of São Paulo, since they are the ones with the country's superior purchasing power. By anticipating this, NGOs of São Paulo area might demand higher values to be funded because they expect their projects to generate a greater empathy and to interest more *Social Investors* from São Paulo, who generally know better the reality faced by these near communities.

These two conclusions can also be extended to the analysis of each particular subset. However, by doing this particular analysis and comparing with the analysis for the main



sample, it is possible to notice more specific results. One result interesting to mention is the considerably lower impact of the distance to São Paulo city on the choice of the amount to be funded by NGOs outside the state of São Paulo (in this subset the coefficient on *Distance* is inferior in absolute terms and it is also less significant, only significant for  $\alpha = 10\%$ ), possibly meaning that there is less discrepancy between the values requested outside the state of São Paulo, i.e. by excluding the considerably higher amounts demanded by NGOs in São Paulo area, the strong negative impact of *Distance* on this choice is attenuated<sup>24</sup>.

## 5.2 Measuring Effectiveness

In this subsection we were interested in measuring the effectiveness of the NGOs' projects already funded from the Brazilian SSE in a transparent, verified and mensurable manner, using essentially the data we collected and treated. In order to achieve that, two measures of effectiveness were computed: one based on the time needed by the projects to be completely funded - *Duration*; and other based on the average amount that the projects were able to gather each month spent in the SSE's website - *Amount per month*.

### 5.2.1 Duration

The first measure computed to evaluate the performance of the NGOs' projects is based on the time spent by each project in the SSE's website until be entirely funded - *Duration*<sup>25</sup>. Thus, in order to assess the effectiveness of the projects, we primary

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<sup>24</sup> Nevertheless, it is curious to observe that when we restrain our sample to only NGOs located outside the city of São Paulo, this significant difference in the impact of *Distance* disappears [i.e. in the subset including only projects outside São Paulo city the coefficient on *Distance* (-13,51237) is very similar in value to the one obtained for the main sample (-13,89512)]. This could be explained by the lack of infrastructures and support faced by NGOs outside the city of São Paulo comparing to the ones actually located in this city, requiring a higher financial effort to implement their projects. Therefore, this implies that the significant difference in the negative impact of *Distance* on *Amount Funded* observed between the main sample and the subset including only projects outside São Paulo state is due to the higher values requested not by NGOs located in the city of São Paulo but by the ones located in surrounding cities or areas instead, which are usually poorer and less developed.

<sup>25</sup> This first model can be defined as a "goal-attainment" uni-dimensional model, since it is supported by only one aspect of the NGOs' operations which is related to the accomplishment of an objective: to gather the total amount needed to implement the project in a short period of time.

defined it in terms of *Duration*, being more effective the projects that had sold all their *Social Stocks* in a shorter period of time.

After defining effectiveness, we were interested in studying how the environment surrounding the NGO and the specific characteristics of its project can affect its performance. In other words, we were concerned about the impact of each control variable representing every project's feature (controlled and not by the NGO) on its effectiveness, i.e. on the time the project had stayed in the SSE's until being completely funded. Therefore, we ran an econometric specification including all the explanatory variables concerning the project description, as follows:

$$\begin{aligned} Duration_i = & \beta_0 + \beta_1 Amountfunded_i + \beta_2 Cityincome_i + \beta_3 Distance_i + \beta_4 Rural_i + \\ & + \beta_5 Coast_i + \beta_6 SocialEducation_i + \beta_7 EnvironEducation_i + \\ & + \beta_8 Citizenship_i + \beta_9 Sustainability_i + \beta_{10} Namerank_i + \mu_i \quad (2) \end{aligned}$$

where  $i$  corresponds to the project. Table 3 exhibits the results.

By observing the results for the main sample three important conclusions can be retained about the effectiveness of the projects. Firstly, we can observe a positive impact of *Amount Funded* on *Duration* (the coefficient on *Amount Funded* is positive and significant for  $\alpha = 1\%$ ), meaning that projects requiring higher values to be implemented needed more time in the SSE to raise all necessary funds, and are less effective according to this model.

Secondly, we can infer that projects of NGOs located in rural areas need less time in the SSE's website to sell all their Social Stocks and, therefore, are more effective, i.e. a rural location has a significant and negative impact on *Duration* (the coefficient on *Rural* is negative and significant for  $\alpha = 1\%$ ). Possibly meaning that projects intervening in rural areas are more appealing for the *Social Investors*, who are now more aware of the social and income inequalities faced in Brazil. They are more conscious about the pressing issues needed to be addressed in rural areas, such as education, health or even the rural exodus, and want to be an active part of the solution

by investing in projects of these areas. Hence, this greater empathy for projects of rural areas can be the cause for their superior effectiveness evidenced by this model.

**Table 3 – Section 5.2.1 results**

<b>Dependent Variable: Duration</b>							
<b>Variables</b>	<b>All Projects</b>	<b>Social Projects</b>	<b>Outside SP State</b>	<b>Outside SP City</b>	<b>Exit before AF</b>	<b>Without Rural</b>	<b>Without Distance</b>
<b>Amount Funded</b>	0,000148 (4,978)*	0,0001543 (4,80)*	0,000145 (4,016)*	0,000128 (3,605257)*	0,000147 (4,49503) *	0,000128 (4,311)*	0,000148 (5,240)*
<b>City Income</b>	-0,000538 (-1,545)	-0,000378 (-0,90)	-0,000657 (-1,564)	-0,000657 (-1,600225)	-0,000603 (-1,407)	-0,000312 (-0,893840)	-0,000536 (-1,646)***
<b>Distance</b>	-2,27E-05 (-0,017)	0,0000505 (0,03)	9,31E-05 (0,062)	-2,67E-05 (-0,018252)	-0,000499 (-0,279)	-0,001695 (-1,362362)	-
<b>Rural</b>	-8,308266 (-2,523)*	-6,986878 (-1,77)***	-7,938240 (-2,090)**	-7,890141 (-2,198)**	-7,427513 (-2,20)***	-	-8,334727 (-2,913)*
<b>Coast</b>	-2,213902 (-0,834)	-2,252849 (-0,74)	-3,328406 (-1,076)	-1,395375 (-0,493020)	-2,150020 (-0,672)	0,279257 (0,109268)	-2,227453 (-0,888)
<b>Social Education</b>	-19,96189 (-2,027)**	-19,95323 (-1,98)**	-19,20111 (-1,98)**	-18,71799 (-1,858)***	-19,44161 (-1,88)***	-19,04089 (-1,865)***	-19,95075 (-2,045)**
<b>Environ. Education</b>	-9,685706 (-0,918)	(dropped)	-8,135448 (-0,782)	-8,451683 (-0,77946)	-9,334039 (-0,842)	-10,00265 (-0,914131)	-9,686103 (-0,925064)
<b>Citizenship</b>	-18,25057 (-1,82)***	-18,04153 (-1,76)***	-16,09373 (-1,618)	-17,70399 (-1,705)***	-17,64484 (-1,67)***	-16,67470 (-1,603162)	-18,24104 (-1,832)***
<b>Sustainability</b>	-19,91060 (-1,90)***	(dropped)	-17,08578 (-1,626)	-18,81522 (-1,748)***	-19,68757 (-1,375)	-21,24745 (-1,955)**	-19,89636 (-1,917)***
<b>Name Rank</b>	-0,433370 (-0,182)	0,6050821 (0,24)	-0,184638 (-0,064)	0,238963 (0,083458)	-0,354110 (-0,138)	-0,299811 (-0,121589)	-0,430401 (-0,182896)
<b>R-squared</b>	0,350239	0,3370	0,385401	0,327173	0,353492	0,290302	0,350237
<b>Obs.</b>	80	69	52	60	70	80	80
<b>F-statistic</b>	3,719295	3,81	2,571020	2,382702	3,225955	3,181503	4,192394

Notes: 1. Columns represent all 7 executed regressions. 2. The first row represents the coefficient and the second row in parenthesis presents the robust t-statistic (\* denotes significance for  $\alpha = 1\%$ ; \*\* for  $\alpha = 5\%$ ; \*\*\* for  $\alpha = 10\%$ ). 3. “SP” stands for “São Paulo” “AF” for “Announcement of the Fusion”. 4. For a complete description of the variables and subsets, please check the appendix, respectively, section 8.3 and 8.4.

Finally, we can also conclude that the projects’ theme of intervention have a pronounced negative impact on *Duration*, specially *Social Education*, *Citizenship* and *Sustainability* (these three themes have negative coefficients, significant for  $\alpha = 5\%$ , for  $\alpha = 10\%$  and for  $\alpha = 10\%$ , respectively). This means that projects dedicated to issues

related to Social Education, Citizenship or Sustainability need less time in the SSE's website until being completely funded, i.e. a project with one these themes of intervention is more effective according to this model. Moreover, this also suggests that these types of projects can be more alluring to *Social Investors*. In the case of the *Social Education* projects, this fact can be justified once again by the SSE's historical background enlightened in section 3, since its main focus when it started was on education projects benefiting children living poor in Brazilian communities. In the case of *Citizenship* projects, this positive effect of the theme on effectiveness is potentially explained by an increasing awareness of the social instability and insecurity issues experienced in Brazil. Lastly, a possible explanation of the positive impact of the *Sustainability* thematic on the project's performance is supported by the rising universal concern about environment protection. This is particularly relevant for Brazil given the national and international pressures demanding careful protection of Amazonia's flora and fauna, one of the world's largest tropical forests.

Furthermore, these conclusions attained by the analysis of the model's results in the main sample can also be applied when studying each particular subset. In other words, all the subsets present consistently a negative and significant impact of rural locations and *Social Education*, *Sustainability* and *Citizenship* on *Duration*. Therefore, based on this first model of effectiveness we can conclude that NGOs' projects satisfying one of these criteria, generally, would be able to perform better in the SSE. On the other hand, *Amount Funded* exhibited also in all subsets a consistent positive impact on *Duration*, implying that projects requiring higher values to be implemented are less effective in the SSE, according to this first model.

We also run two additional regressions, represented in the last 2 columns: one with all explanatory variables included with the exception of *Rural*; and other including all explanatory variables except *Distance*. This procedure was done in order to apply a

correction to the high correlation between these two variables<sup>26</sup>, which could be affecting their results in the model. By doing this correction it is possible to notice that, in the regression where *Distance* was not included, there is a negative and significant impact of *City Income* on *Duration* (since *Distance* and *City Income* present also a high correlation), meaning that NGOs located in cities with high GDP per capita would have a better performance.

### 5.3.2 Amount per Month

Finally, we compute the second measure to evaluate the performance of the NGOs' projects based on the data available on the SSE's website. In this model, effectiveness is defined in terms of the average amount funded by the project each month while listed in the SSE – *Amount per Month*<sup>27</sup> – and the most effective projects are those capable of gathering the highest value per month.

Given this definition of effectiveness, the aim of this model is the study how the environment surrounding the NGO and the specific characteristics of its project can affect its performance. Thus, the model is represented by an econometric specification where all the explanatory variables concerning the project description – whether controlled by the NGOs or not - were included:

$$\begin{aligned}
 Amountpermonth_i = & \beta_0 + \beta_1 Amountfunded_i + \beta_2 Cityincome_i + \beta_3 Distance_i + \\
 & + \beta_4 Rural_i + \beta_5 Coast_i + \beta_6 SocialEducation_i + \\
 & + \beta_7 EnvironEducation_i + \beta_8 Citizenship_i + \\
 & + \beta_9 Sustainability_i + \beta_{10} NameRank_i + \mu_i
 \end{aligned} \tag{3}$$

where  $i$  corresponds to the project. Table 4 exhibits the results.

<sup>26</sup> For further details about the correlations between all variables, please see table 6 of the appendix, section 8.5.2.

<sup>27</sup> This also can be defined as a “goal-attainment” uni-dimensional model, since once again it is supported by only one aspect of the NGOs' operations which is related to the execution of a specific purpose: to gather the highest possible value every month spent in the SSE's website.

**Table 4 – Section 5.2.2 results**

<b>Dependent Variable: Amount per Month</b>							
<b>Variables</b>	<b>All Projects</b>	<b>Social Projects</b>	<b>Outside SP State</b>	<b>Outside SP City</b>	<b>Exit before AF</b>	<b>Without Rural</b>	<b>Without Distance</b>
<b>Amount Funded</b>	-0,061870 (-0,54757)	-0,087433 (-0,69)	-0,128051 (-0,773617)	-0,096393 (-0,672285)	-0,061429 (-0,482)	-0,039871 (-0,366803)	-0,099364 (-0,916040)
<b>City Income</b>	0,118056 (0,089176)	-0,052854 (-0,03)	0,1564412 (0,081512)	-0,418369 (-0,270338)	0,377580 (0,22608)	-0,134909 (-0,105787)	-0,395744 (-0,316690)
<b>Distance</b>	6,007009 (1,153612)	7,804111 (1,21)	6,738410 (0,977421)	5,550133 (0,939409)	8,195096 (1,17293)	7,880069 (1,7347)***	-
<b>Rural</b>	9308,415 (0,743520)	6397,87 (0,41)	15581,08 (0,897613)	13137,97 (0,906556)	7631,443 (0,47945)	-	16295,63 (1,483767)
<b>Coast</b>	817,6533 (0,081043)	-369,5532 (-0,03)	6301,762 (0,446011)	3563,286 (0,311776)	-1528,037 (-0,12256)	-1975,633 (-0,211667)	4395,890 (0,456801)
<b>Social Education</b>	32822,64 (0,876787)	36308,68 (0,91)	30547,54 (0,691331)	32349,24 (0,795378)	34319,50 (0,85196)	31790,77 (0,852535)	29879,32 (0,798139)
<b>Environ. Education</b>	13635,36 (0,340092)	(dropped)	14488,59 (0,304647)	16980,08 (0,387802)	13618,53 (0,31528)	13990,45 (0,350093)	13740,31 (0,341903)
<b>Citizenship</b>	23972,07 (0,627842)	27332,23 (0,67)	21559,43 (0,474512)	23524,09 (0,560977)	24760,79 (0,60057)	22206,50 (0,584599)	21454,41 (0,561497)
<b>Sustainability</b>	23784,80 (0,596621)	(dropped)	23167,19 (0,482499)	27687,31 (0,637049)	18043,96 (0,32319)	25282,59 (0,637041)	20025,76 (0,502829)
<b>Name Rank</b>	-15863,27 (-1,756)***	-17223,64 (-1,74)***	-29732,68 (-2,25175)**	-26933,83 (-2,32946)**	-17091,20 (-1,705)***	-16012,91 (-1,7782)***	-16647,24 (-1,8431)***
<b>R-squared</b>	0,128713	0,1387	0,200622	0,191356	0,137776	0,121732	0,111908
<b>Obs.</b>	80	69	52	60	70	80	80
<b>F-statistic</b>	1,019316	1,21	1,028990	1,159528	0,942767	1,078035	0,980072

Notes: 1. Columns represent all 7 executed regressions. 2. The first row represents the coefficient and the second row in parenthesis presents the robust t-statistic (\* denotes significance for  $\alpha = 1\%$ ; \*\* for  $\alpha = 5\%$ ; \*\*\* for  $\alpha = 10\%$ ). 3. “SP” stands for “São Paulo” “AF” for “Announcement of the Fusion”. 4. For a complete description of the variables and subsets, please check the appendix, respectively, section 8.3 and 8.4.

By the analysis of the results both for the main sample and for the four specific subsets, we may conclude that the only project’s characteristic affecting its performance is its name, which has a negative impact on the average amount funded each month spent by the project in the SSE’s website (the coefficient on *Name Rank* is negative and significant for  $\alpha = 10\%$ ). This result is somewhat intriguing: an appealing name leads to a worse project’s performance. However, a possible explanation for this result comes

with a criticism to the construction of the explanatory variable. The surveys conducted in order to infer about the name's preferences of the Social Investors were answered by Portuguese people, who might not have an adequate awareness of the Brazilian reality. Nevertheless, it was observed that some explanatory variables had an impact on *Amount per Month* when studied separately, i.e. when were regressed alone. Namely: *Rural*, *Distance* and *Name Rank*<sup>28</sup>. But only *Name Rank* was significant in the complete model. One possible explanation for this might be the high correlation observed between *Rural* and *Distance*<sup>29</sup>, therefore we performed the model without the two explanatory variables included simultaneously (results represented in the last two columns of table 4).

With this procedure it was obtained a significant result for *Distance*, which has a positive impact on *Amount per Month* (when the model is regressed without *Rural*, the coefficient on *Distance* is positive and significant for  $\alpha = 10\%$ ). Meaning that projects of NGOs located at a higher distance from the city of São Paulo are able to gather a higher value per month while listed in the SSE and, thus, are more effective.

#### **5.4 Analyzing the Results**

According to the results obtained, there are four project characteristics that should be emphasized as having an impact on the performance of the project in the SSE: the amount needed to implement the project; the distance between the city where the NGO is located and the city of São Paulo; if it is located in a rural area; and, finally and foremost, the themes of the project's intervention, specifically Social Education, Citizenship and Sustainability.

In the first model of effectiveness computed, we could verify that the value required for a project to be implemented – *Amount Funded* – affects negatively the performance of this project in the SSE – a higher *Duration*. However, this value does not appear to have any significant impact on the second model – *Amount per Month*. This is an interesting

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<sup>28</sup> The results are exhibited in Table 7 in the appendix, section 8.5.3.

<sup>29</sup> For further details about the correlations see the appendix, section 8.5.2.

result, which might be explained by the fact that the *Social Investors* set a relatively constant value to invest every month.

In our study, *Distance* has a negative impact on the amount needed by the NGOs to implement their projects. However, it also reveals to have a positive impact on one of our measures of effectiveness, the *Amount per Month* – i.e. projects of NGOs located at higher distance from São Paulo are more effective according to this model, since they are able to gather a superior value per month during the time spent in the SSE. Therefore, we can deduce that projects of NGOs located at a higher distance from São Paulo would also take less time to be completely funded, since the amount required is smaller and each month a great part of this amount is able to be gathered. As a consequence, *Distance* should also have a negative impact on *Duration*, which is in line with the results observed in table 3 (the coefficient on *Duration* is negative), however they are not significant and this implication can not be taken directly from this model.

The results concerning the influence of a location in a rural area on the effectiveness of the project were also very consistent throughout our study. The variable *Rural* was proved to have a positive impact on *Amount Funded* but a negative impact on *Duration*. In other words, a project of a NGO located in a rural area requires a higher amount in order to be implemented, but needs to stay less time in the SSE to be completely funded. This implies that these projects have to be capable of gathering higher values per month during the time spent in the SSE, i.e. projects of rural areas should also be considered effective in terms of the second model, the *Amount per Month*. Although this effect was not revealed directly through the model (the coefficient on *Rural* is not significant in this model), it is in accordance with the results obtained when the explanatory variable *Rural* was included alone in an econometric specification to explain *Amount per Month* <sup>30</sup>(the coefficient on *Rural* is positive and significant for  $\alpha = 10\%$ ).

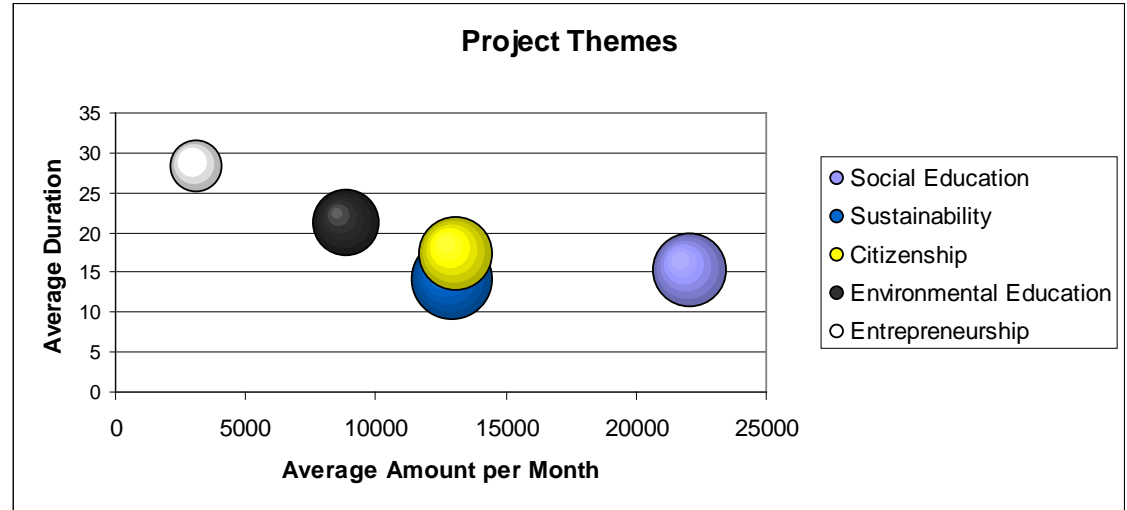
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<sup>30</sup> See table 7 in the appendix, section 8.5.3.



Furthermore, certain project themes were revealed as having a positive impact on the project’s performance in the SSE, namely: social education, citizenship and sustainability. Therefore, projects with one of these thematic were perceived as more effective. The following figure resumes the overall projects’ performance in the SSE in terms of their themes:

**Figure 1 – Overall Performance of the Projects according to their main Themes**



*Note:* 1. the area of each “bubble” represents the average amount funded by the projects of each respective theme. 2. “Average Duration” and “Average Amount per Month”, in the axis, stand for the average time in months each group of projects had spent in the SSE and the average of the amount gathered per month, on average, by all the projects in each group while in the SSE, respectively.

This figure is in accordance with what was deduced from our models: projects with themes such as Social Education, Citizenship or Sustainability, clearly exhibit a better performance in the SSE. As we can observe, these groups of projects on average are able to gather a higher *Amount per Month* (in the horizontal axis) and need less time to be completely funded (*Duration*, in the vertical axis) comparing with the other two themes<sup>31</sup>.

## 6. Conclusion

The major purpose of our work was to study the performance of projects that had been listed in the SSE in a quantifiable manner using the information available in the SSE’s

<sup>31</sup> See also Figure 2 in the appendix, section 8.5.4, which illustrates these same results but in a different perspective.

website. We used two possible proxies for effectiveness, based on quantifiable and observable characteristics of the projects listed in the Social Stock Exchange. As consequence, we were able to obtain conclusive results on the impact of certain characteristics inherent to each project on its overall performance in the SSE. Particularly, according to the results, projects of NGOs located either at higher distance from São Paulo or in rural areas are regarded as more effective, but projects requiring a higher value to be implemented are considered as less effective. More importantly, projects with themes of intervention such as social education, citizenship or sustainability are also considered to have a better performance in the SSE.

In both models computed, effectiveness was clearly defined in order to avoid the problem of ambiguity and to allow the achievement of coherent results with a meaningful interpretation. Furthermore, the inferences we were able to make are in accordance with the reality faced by NGOs, which means that our study was able to present solid and valid arguments about the effectiveness of the NGOs' projects.

We see our study as a first attempt at measuring and quantifying the performance of NGOs, by overcoming two main challenges identified in the literature concerning NGOs effectiveness.

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## **8. Appendices**

### **8.1 Entering the Social Stock Exchange<sup>32</sup>**

#### **8.1.1 Selection Process**

##### **First Stage - Submission of the applications**

NGOs can send a project to the Social Stock Exchange at any time. They only have to fill in a registration form in the SSE site, which is the only document needed from the organization. Every application will be read at least by two analysts from *Atitude*.

In this stage, only projects with the required technological proficiency are selected. Also, geographic criteria are important in order to assure that different regions of the country are being represented in the SSE.

##### **Second Stage – Analysis and Framing of the applications**

All the projects are analysed by technical professionals of the SSE and *Atitude*: categorization of the projects according to their main themes of intervention and verification of the all necessary criteria to proceed to the next phase of selection. If it is necessary, NGOs will be contacted to give additional information.

##### **Third Stage – Technical Visits**

If the Organization gets through this phase, the next stage will be a visit of one analyst from *Atitude*, in order to meet with the team and to know them more deeply. This analyst will also meet the community where the NGO acts, to know the challenges it faces and the social impact it hopes to reach with project proposed.

##### **Fourth Stage – Approval of the Projects**

A special Committee is responsible for the projects' final approval. This Committee is formed by members of the SSE and its associated entities. The Committee can reject proposals if there are doubts about the projects' nature, funds application or other fundamental questions.

##### **Fifth Stage – Complementary Documentation**

The selected NGO has then to present additional documentation in order for its application to be completely validated.

##### **Sixth Stage – Projects Divulcation**

Finally, if the project is approved it will be listed in the Social Stock Exchange. Then, the SSE's associated entities have the responsibility of drawing in Social Investors that can buy the project's social stocks.

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<sup>32</sup> Source: Portuguese SSE website.

### 8.1.2 Selection Criteria

1. Suitability for the SSE's objectives and criteria.
2. Project's originality and innovativeness.
3. Project's scalability and replicability.
4. Expected *Social Impact* and level of contribution to the country's sustainable development.
5. Technical and financial feasibility.
6. Qualification and skills of the project's technical team.
7. Quality and results of projects under implementation or already implemented by the NGO.
8. Accumulated experience and achievements of other projects implemented within the proposed area of intervention.
9. Relevant collaborations and partnerships for the project's success.
10. Practice in results' evaluation.

### 8.2 Project Monitoring<sup>33</sup>

NGOs with projects listed in the Social Stock Exchange commit themselves to: constantly update information about their project's evolution, provide the Implementation Plan of resources for each fund's transfer, as well as technical and financial quarterly reports.

Moreover, the SSE can at any time conduct an audit to the NGO, where it has to make available all the records and documents concerning its project listed.

In its website, the SSE makes available all the necessary information for a proper monitoring of the projects by the *Social Investors*.

The non-enforcement of the terms and conditions of this regulation will be considered as a breach of the agreement, causing the immediate suspension of the transfer of resources and the expulsion of the project from the Social Stock Exchange.

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<sup>33</sup> Source: Portuguese SSE website.

### 8.3 Variables Description (alphabetic order)

#### Amount Funded

**Definition:** total amount funded by the project during the time spent in the SSE website, i.e. the number of project's *Social Stocks* that were available to buy. This amount was chosen by the NGO responsible for the project and reflects total amount needed to put it in place. **Unit:** BRL (Brazilian Real – R\$). **Source:** Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>)

#### Amount per Month

**Definition:** the average amount funded by the project each month spent in the SSE website, i.e. the number of *Social Stocks* sold, on average, each month. **Unit:** BRL/month. **Source:** was computed dividing the variable *Amount Funded* by the variable *Duration*. Both variables were obtained from the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>).

#### Citizenship

**Definition:** main theme of the project's activities and intervention. A project can be classified as having a citizenship thematic when it works towards the community's betterment, with efforts that will improve the life of its citizens. Therefore, projects with this theme fall into the category of Social Projects. Moreover, these projects' main goal is to encourage and enable individuals to play an effective role in a democratic society, given them the knowledge, skills, confidence and motivation to engage effectively in their community. **Unit:** dummy variable, which takes the value 0 or 1 (1 when the theme of the project is citizenship and 0 otherwise). **Source:** the classification of the projects according to their main thematic was based on the description of their mission in the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>).

#### City Income

**Definition:** gross domestic product per capita, at 2000 prices, of the city where the project's NGO is located. This variable was used as proxy for the economic environment that NGOs face. **Unit:** BRL. **Source:** Census conducted in 2000 by the institution responsible for the Brazilian statistics (FIBGE – Fundação Instituto Brasileiro de Geografia e Estatística).

## Coast

**Definition:** variable related to the region where the NGO responsible for the project is located, specifically whether it is or not in a coastal area. **Unit:** dummy variable, which takes the value 0 or 1 (1 when it intervenes in a coastal area and zero otherwise).

**Source:** the classification of the NGOs' location was based on the contacts (address) provided by the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>).

## Distance

**Definition:** indicates the distance between the city where the project's NGO is located and the city of São Paulo - where the Brazilian SEE is situated. **Unit:** Km<sup>2</sup> (road distance). **Source:** the NGOs' location was obtained through the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>). Then the distances to São Paulo were computed using the website: <http://www.emsampa.com.br/xspxspintbra.htm>.

## Duration

**Definition:** the time spent by the project in the Brazilian SSE website until being completely funded, i.e. the time needed to sell all its *Social Stocks*. **Unit:** months. **Source:** was computed using the information available in the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>). Then the exact number of months was calculated subtracting the Entry and Exit dates in Excel.

## Entrepreneurship

**Definition:** main thematic of the project's activities and intervention. An entrepreneurship project can be described as a project that gives incentives for the creation of innovative business, which make a better use the community's features for its own benefit. Therefore, projects with this theme fall into the category of Social Projects. **Unit:** dummy variable, which takes the value 0 or 1 (1 when the theme of the project is entrepreneurship and 0 otherwise). In our study, there are five main project's thematic represented by dummy variables, so in order to avoid multi-colinearity problems, only four of them were included and the dummy variable concerning entrepreneurship project was omitted, i.e. an Entrepreneurship project was represented when the other four thematic variables took the value zero: *Social Education* = *Environmental Education* = *Citizenship* = *Sustainability* = 0. **Source:** the classification of the projects according to their main thematic was based on the description of their

mission in the Brazilian SSE's website  
(<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>).

### **Environmental Education**

**Definition:** main thematic of the project's activities and intervention. Projects can be classified as Environmental Educational when their main goal is to provide knowledge and incentives for a better and sustainable use of the environmental resources, in order to help the protection of the environment. Therefore, projects with this theme fall into the category of Environmental Projects. **Unit:** dummy variable, which takes the value 0 or 1 (1 when the project's main area of intervention is environmental education and 0 otherwise). **Source:** the classification of the projects according to their main thematic was based on the description of their mission in the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>).

### **Name Rank**

**Definition:** this variable is related with the results of the surveys that were conducted to infer about the preferences concerning the NGOs' and their projects names. In these surveys, 10 people were asked to choose their 10 favorite projects to invest from the 80 of our sample based merely on their names and ordered them from the most favorite to the least (tenth) favorite. Hence, from the surveys' results there were obtained 10 different rankings of projects and this variable stands for all the projects that appear in at least one ranking. **Unit:** dummy variable, which takes the value 0 or 1 (1 when the project name appears in at least one of the ten rankings obtained, and 0 otherwise). **Source:** ten rankings obtained with the surveys conducted to infer the preferences about the project's names.

### **Rural**

**Definition:** variable related to the region where the NGO responsible for the project is located, specifically whether it is or not in a rural area. **Unit:** dummy variable, which takes the value 0 or 1 (1 when it intervenes in a rural area and zero otherwise). **Source:** the classification of the NGOs' location was based on the contacts (address) provided by the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>).

### **Social Education**

**Definition:** main thematic of the project's activities and intervention. Projects can be classified as Social Educational when they provide educational support to the communities where they intervene, namely: support to the regular school education,



health/sexual education, rural-related education, thematic workshops, or vocational training. Therefore, projects with this theme fall into the category of Social Projects.

**Unit:** dummy variable, which takes the value 0 or 1 (1 when the theme of the project is social education and 0 otherwise). **Source:** the classification of the projects according to their main thematic was based on the description of their mission in the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>).

### **Sustainability**

**Definition:** main theme of the project's activities and intervention. A project can be classified as having sustainability thematic when it gives incentives for the sustainable use of the community's resources **Unit:** dummy variable, which takes the value 0 or 1 (1 when the theme of the project is sustainability and 0 otherwise). **Source:** the classification of the projects according to their main thematic was based on the description of their mission in the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>).

## **8.4 Subsets Description (alphabetic order)**

### **Exit before AF (Announcement of the Fusion)**

**Definition:** this subset includes simply the projects that had been completely funded and left the SSE's website before the announcement of the Brazilian Stock Exchanges' fusion (BOVESPA with BM&F) in March 26, 2008. This date was important for the Brazilian SSE because, as it was said in Section 3, many of its operations were compromised after this announcement. Therefore, this subset takes only into account the projects that were not affected with the announcement of this fusion. **Unit:** dummy variable *ExitbeforeAF*, which takes the value 1 when the project had left the SSE's before the announcement of the fusion, and 0 otherwise. This subset includes only projects that have  $ExitbeforeAF = 1$ . **Source:** was computed using the information concerning the exit dates available in the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>).

### **Outside SP (São Paulo) City**

**Definition:** this subset includes only projects of NGOs located outside the city of São Paulo, where the Brazilian SSE is located. **Unit:** dummy variable *Saopaulocity*, which takes the value 1 when the project's NGO is located in the city of São Paulo, and 0 otherwise. Hence, this subset includes just projects that have  $Saopaulocity = 0$ . **Source:**

was computed using the information concerning the NGOs' contacts (address) available in the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>).

### **Outside SP (São Paulo) State**

**Definition:** this subset includes only projects of NGOs located outside the state of São Paulo, where the Brazilian SSE is located. **Unit:** dummy variable *Saopaulo*, which takes the value 1 when the project's NGO is located in the state of São Paulo, and 0 otherwise. Hence, this subset includes just projects that have *Saopaulo* = 0. **Source:** was computed using the information concerning the NGOs' contacts (address) available in the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>).

### **Social Projects**

**Definition:** this subset contains merely projects classified as Social projects, i.e. projects whose main area of activities and intervention can be classified as Social. A project can be classified as Social when it works towards the community's betterment, with efforts that will improve the life of its citizens. The projects that fall into this category are those of with the themes of Social Education, Citizenship and Entrepreneurship. The other two themes of the projects' intervention, Environmental **Unit:** dummy variable, which takes the value 0 or 1 (1 when the project's main area of intervention is Socially-related and 0 when it is environmental related). Thus, this includes only projects that have the variable *Social* = 1. **Source:** the classification of the projects according to their main area of intervention was based on the description of their mission in the Brazilian SSE's website (<http://www.bovespasocial.org.br/institucional/ProjetosConcluidos.aspx>).

## 8.5 Appendix Figures

8.5.1 Table 5 - Descriptive Statistics

Variable	Mean	Minimum	Maximum	Sum	Median
Amount Funded	122.249,60	26.057,00	194.000,00	9.779.969,00	138.765,00
Amount per Month	17.151,60	2.926,85	276.390,00	1.372.128,00	7.800,90
Duration	16,42	0,40	40,47	1.313,30	14,83
City Income	8.264,15	819,09	17.646,57	661.131,90	8.847,40
Distance	1.040,60	0,00	3.971,00	83.248,00	578,00
Rural	0,31	0,00	1,00	25,00	0,00
Coast	0,30	0,00	1,00	24,00	0,00
Social Education	0,50	0,00	1,00	40,00	0,50
Environ. Ed.	0,06	0,00	1,00	5,00	0,00
Citizenship	0,35	0,00	1,00	28,00	0,00
Entrepreneurship	0,01	0,00	1,00	1,00	0,00
Sustainability	0,08	0,00	1,00	6,00	0,00
Name Rank	0,66	0,00	1,00	53,00	1,00

8.5.2 Table 6 - Correlations

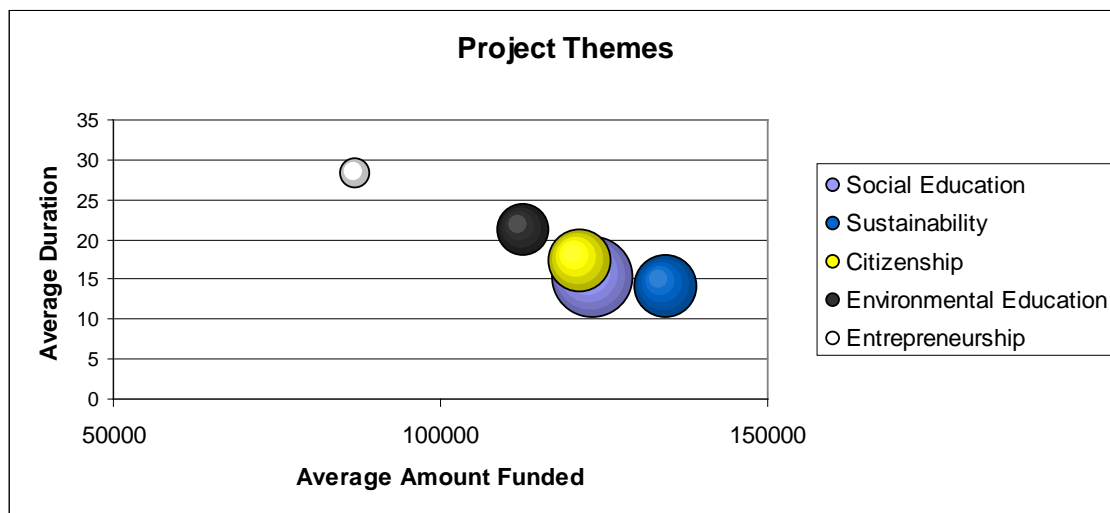
	Amount Funded	Amount per Month	Duration	City Income	Distance	Rural	Coast	Social Edu.	Enviro. Ed.	Citizenship	Sustainability	Name Rank
Amount Funded	1.00	-0.018	0.448	-0.066	-0.110	0.147	0.070	0.026	-0.066	-0.019	0.089	-0.175
Amount per Month		1.00	-0.418	-0.116	0.219	0.178	0.035	0.138	-0.061	-0.084	-0.034	-0.186
Duration			1.00	-0.055	-0.108	-0.122	0.007	-0.109	0.117	0.059	-0.060	-0.087
City Income				1.00	-0.580	-0.495	-0.266	-0.077	0.026	0.183	-0.122	-0.173
Distance					1.00	0.579	0.254	-0.043	0.167	-0.135	0.094	0.076
Rural						1.00	-0.088	0.027	0.160	-0.268	0.218	0.082
Coast							1.00	-0.109	-0.056	0.092	0.124	0.006
Social Educ.								1.00	-0.258	-0.734	-0.285	0.026
Enviro. Educ.									1.00	-0.189	-0.074	0.075
Citizenship										1.00	-0.209	-0.197
Sustainability											1.00	0.203
Name Rank												1.00

**8.5.3 Table 7 – Significant Estimators for *Amount per Month***

<b>Dependent Variable: Amount per Month</b>				
<b>Variables</b>	<b>Simple</b>	<b>Simple</b>	<b>Simple</b>	<b>Multiple<sup>34</sup></b>
<b>Distance</b>	6,799850 (1,984033)**			5,683902 (1,367807)
<b>Rural</b>		13602,95 (1,600686)***		6808,467 (0,666052)
<b>Name Rank</b>			-13936,04 (-1,67548)***	-15520,41 (-1,89443)***
<b>R-squared</b>	0,048042	0,031804	0,034740	0,094766
<b>Obs.</b>	80	80	80	80
<b>F-statistic</b>	3,936386	2,562196	2,807246	2,652050

*Notes:* 1. The first 3 columns represent the simple regressions, with only one explanatory variable included, and the fourth column represents the multiple regression including all the 3 explanatory variables. 2. The first row represents the coefficient and the second row in parenthesis presents the robust t-statistic (\* denotes significance for  $\alpha = 1\%$ ; \*\* for  $\alpha = 5\%$ ; \*\*\* for  $\alpha = 10\%$ ). 3. For a complete description of the variables and subsets, please check the appendix, respectively, section 8.1 and 8.2.

**8.5.4. Figure 2 – Overall Performance of the Projects according to their main Themes**



*Note:* 1. the area of each “bubble” represents the average amount funded on average per month by the projects of each respective theme. 2. “Average Duration” and “Average Amount Funded”, in the axis, stand for the average time in months each group of projects had spent in the SSE and the average amount funded by all the projects in each group, respectively.

<sup>34</sup> A possible reason for the poor results of the variables regressed all together is the high correlation between *Distance* and *Rural* (0.579076).

## 8.6 Our Sample – Projects General Description

	Project	NGO	Amount Funded (R\$)	City	State	Duration (Months)
1	Passaporte do Futuro Especial	Associação de Surdos de Goiânia	51.795,00	Goiânia	Goiás	12,70
2	Programa RPPN - Um Investimento de Futuro	Idéia Ambiental	148.000,00	Curitiba	Paraná	18,90
3	Sementes Jovens	IPE – Instituto de Pesquisas Ecológicas	150.000,00	Nazaré Paulista	São Paulo	19,03
4	JovEMovimento – Engajando Jovens em Ações de Prevenção de Violência	Instituto Promundo	120.000,00	Rio de Janeiro	Rio de Janeiro	8,43
5	Conservação e Turismo na Reserva de Desenvolvimento Sustentável do Uatumã	IDESAM – Instituto de Conservação e Desenvolvimento Sustentável do Amazonas	135.675,00	Manaus	Amazonas	8,93
6	Capacitação de Agentes das Escolas Famílias Agrícolas de Minas Gerais	AMEFA – Associação Mineira das Escolas Famílias Agrícolas	146.000,00	Belo Horizonte	Minas Gerais	10,00
7	Formação de Jovens e Cadeias Produtivas Agro ecológicas	Serra Acima – Associação de Cultura e Educação Ambiental	140.000,00	Cunha	São Paulo	4,80
8	Lampiões Solares – Farol do Sol	IDEAAS – Instituto para o Desenvolvimento de Energias Alternativas e da Auto Sustentabilidade	150.000,00	Porto Alegre	Rio Grande do Sul	4,53
9	Constituindo Redes de Inclusão com a Juventude	Associação Mais Diferenças	145.000,00	São Paulo	São Paulo	1,33
10	Escola Família Agrícola	APAEB – Associação de Desenvolvimento Sustentável e Solidário da Região Sisaleira	175.000,00	Valente	Bahia	20,27
11	Talento Humano	ASPAT – Associação de Pais e Amigos para o apoio ao Talento de Palmas	155.000,00	Palmas	Tocantins	5,00
12	Novos Conhecimentos entre os Yanomami	Associação Serviço e Cooperação com o Povo Yanomami - SECOYA	39.560,00	Manaus	Amazonas	2,27
13	Clube de Adolescentes	CEDAPS – Centro de Promoção da Saúde	108.500,00	Rio de Janeiro	Rio de Janeiro	15,63
14	Saber do UERE	Projecto UERE	90.000,00	Rio de Janeiro	Rio de Janeiro	4,93
15	Amba – Transformando Pessoas e Ambientes	AQUATRO – Agência de Qualificação e Trabalho para Organizações Associativas	95.800,00	Jaboatão dos Guararapes	Pernambuco	0,80
16	Paciente Nota 10	Hospital Erasto Gaerther	41.100,00	Curitiba	Paraná	4,80
17	Mania de Vencer	Associação Lua Nova	145.000,00	Sorocaba	São Paulo	13,67
18	Jovem Gestor Rural	Fundação Pró-Cerrado	151.185,00	Goiânia	Goiás	17,23
19	Grãos de Luz e Griô	Associação Grãos de Luz	130.000,00	Lençóis	Bahia	11,23
20	Programa de Educação em Células Cooperativas	Instituto Coração de Estudante	150.000,00	Fortaleza	Ceará	26,87
21	Educando na Periferia – Programa de Educação para o Trabalho	Instituto Alana	64.000,00	São Paulo	São Paulo	3,80

22	Oficina Experimental de Jornalismo	Associação de Incentivo às Comunicações Papel Jornal	150.000,00	São Paulo	São Paulo	11,00
23	IMAMA na Escola	IMAMA - Instituto da Mama do Rio Grande do Sul	150.000,00	Porto Alegre	Rio Grande do Sul	19,23
24	Agente de Desenvolvimento Local - ADL	SERTA – Serviço de Tecnologia Alternativa	152.000,00	Gloria do Goitá	Pernambuco	11,00
25	Espaço Desportivo Arco-Íris	Apae Araras	180.000,00	Araras	São Paulo	18,87
26	Espaço Criarte	Associação Nova Esperança	94.751,00	São Mateus	Espírito Santo	15,93
27	Eu Conto!	Associação Viva e Deixe Viver	170.000,00	São Paulo	São Paulo	18,90
28	De UTI Educacional a Cidade Educativa	CPCD – Centro Popular de Cultura e Desenvolvimento	173.700,00	Belo Horizonte	Minas Gerais	16,57
29	Clube do Computador	Instituto Dom Bosco – Bom Retiro	106.840,00	São Paulo	São Paulo	4,87
30	MídiaCOM	ITEVA – Instituto Tecnológico e Vocacional Avançado	137.530,00	Aquiraz	Ceará	1,43
31	Escola Ribeirinha de Negócios	Instituto Peabiru	149.300,00	Belém do Pará	Pará	10,63
32	Educação Ambiental para Conservação da Fauna	Renctas – Rede Nacional de Combate ao Tráfico de Animais Selvagens	147.049,00	Brasília	Distrito Federal	5,60
33	Rede de Apoio aos Jovens dos Centros de Recursos Integrados de Atendimento ao Menor (CRIAMs) da Baixada Fluminense	Instituto SERE (Serviços, Estudos e Realizações para o Desenvolvimento Sustentável)	96.000,00	Rio de Janeiro	Rio de Janeiro	4,13
34	Gente que Faz a Paz	UNIPAZ – Universidade da Paz	100.000,00	Brasília	Distrito Federal	9,53
35	Programa Ame a Vida Sem Drogas	FEAC – Federação das Entidades Assistenciais de Campinas	150.000,00	Campinas	São Paulo	12,53
36	Geração Mandalla	Agência Mandalla DHSA – Desenvolvimento Holístico e Sistêmico Ambiental	110.556,00	João Pessoa	Paraíba	0,40
37	Programa Singular	Associação Rodrigo Mendes	82.450,00	São Paulo	São Paulo	10,57
38	Aldeia Educadora: Cidadania, Sustentabilidade e Interculturalidade Indígena	Associação Amigo do Índio	150.000,00	Dourados	Mato Grosso do Sul	21,53
39	Projecto Golfinho Rotador	Centro Golfinho Rotador	95.000,00	Fernando de Noronha	Pernambuco	22,07
40	Centros de Desenvolvimento Educativo e Cultural Comunitário - CEDECs	Fundação Fé e Alegria	145.000,00	Natal	Rio Grande do Norte	22,03
41	Educação Sexual: Tempo de Descobrir e a Responsabilidade de Amar	Instituto Criança é Vida	100.000,00	São Paulo	São Paulo	21,87
42	Cinema Ambiental	Instituto Madeira da Terra	70.121,00	Crato	Ceará	11,17
43	Curso de Orientação e Mobilidade	União Brasileira de Cegos - UBC	75.710,00	Bento Gonçalves	Rio Grande do Sul	8,77
44	Centro de Capacitação e Cultura	Centro de Educação e Formação de Carapicuíba	150.000,00	Carapicuíba	São Paulo	40,23
45	Empreendedorismo Juvenil na	Centro de Estudos Avançados	150.000,00	Santarém	Pará	31,43

	Amazônia	de Promoção Social – Projecto Saúde e Alegria				
46	Pólo de Produção Solidária	Instituto de Capacitação Comunitária - ICC	118.440,00	São Luís	Maranhão	40,47
47	Escola de Engorda de Camarão	IMAR – Instituto de Desenvolvimento Tecnológico Marinho	194.000,00	São Pedro da Aldeia	Rio de Janeiro	40,47
48	Viva Rio	Balcão de Direitos	171.000,00	Rio de Janeiro	Rio de Janeiro	29,60
49	Lar Taiguara	Moradia Associação Civil Casa Taiguara	150.000,00	São Paulo	São Paulo	37,13
50	Ecoteca	Associação Amigos do Futuro	100.000,00	Brasília	Distrito Federal	33,67
51	Sol – Uma Luz na Educação	Conselho Comunitário de Educação, Cultura e Acção - Itanhaém	112.430,00	Itanhaém	São Paulo	33,67
52	Verde Vida Parque Ambiental	Verde Vida – Chapecó	150.190,00	Chapecó	Santa Catarina	33,93
53	Desporto e Educação em Heliópolis	Instituto Desporto e Educação	150.000,00	São Paulo	São Paulo	24,33
54	Jovens em Acção	Associação Educacional Labor	150.840,00	São Paulo	São Paulo	32,37
55	Com saúde, Sem violência	Instituto Brasileiro de Estudos e Apoio Comunitário - IBEAC	150.000,00	São Paulo	São Paulo	32,10
56	De volta para Casa	Associação Beneficente Santa Fé	150.000,00	São Paulo	São Paulo	28,63
57	Reestruturação Familiar	Associação Saúde Criança Renascer	150.000,00	Rio de Janeiro	Rio de Janeiro	19,50
58	Espalhando Arte	Grupo Sócio-cultural e Ambiental Cem Modos	86.980,00	Santa Rita	Maranhão	28,43
59	Estilistas	Centro de Convivência Menina Mulher	96.958,00	Curitiba	Paraná	28,57
60	Clicando a Vida	DCA – Desenvolvendo a Criança e o Adolescente	83.626,00	Bebedouro	São Paulo	19,53
61	Conviver	Grupo Itápolis – Projecto Anchieta	150.000,00	São Paulo	São Paulo	28,30
62	Universidade Livre da Criança	Movimento em Defesa da Criança e do Adolescente	150.000,00	São Paulo	São Paulo	28,30
63	Expedição Vaga Lume – Segunda Etapa	Associação Vaga Lume	150.000,00	São Paulo	São Paulo	14,03
64	Espaço Gente Jovem	Liga das Senhoras Católicas de São Paulo	150.000,00	São Paulo	São Paulo	28,13
65	Currículo Vivo	Cipó Comunicação Interactiva	193.262,00	Salvador	Bahia	25,17
66	Coarrastão	Arrastão – Movimento de Promoção Humana	75.000,00	São Paulo	São Paulo	12,23
67	Dançar: Movimentos que Constroem um Novo Futuro	Escola Royale de Dança e Integração Social	63.300,00	Santa Maria	Rio Grande do Sul	7,23
68	Rua é Lugar de se Morar?	Associação Beneficente O Pequeno Nazareno	96.816,00	Fortaleza	Ceará	8,80
69	Espaço CERNEGRO	Centro de Referência do Negro - CERNEGRO	120.000,00	Brasília	Distrito Federal	17,57
70	Mané Preto	Imbuça Produções Artísticas	70.000,00	Aracaju	Sergipe	17,57

71	Brava Gente	Obras Sociais da Eparquia Ortodoxa de Goiânia	50.000,00	Aparecida de Goiânia	Goiás	9,10
72	Cidadãos do Parque	Pangea – Centro de Estudos Socioambientais	63.200,00	Salvador	Bahia	9,10
73	Casa de Formação e Empreendimentos	Sindicato dos Trabalhadores Rurais de Guabiju	70.000,00	Guabiju	Rio Grande do Sul	9,03
74	Nossa História	Ler e Agir	97.475,00	Rio de Janeiro	Rio de Janeiro	6,50
75	Preparação para o Trabalho	Ação Comunitária do Brasil – São Paulo	93.600,00	São Paulo	São Paulo	4,63
76	Tecer o Futuro	Associação de Apoio à Criança HIV Positivo – Projecto Reviver	100.673,00	São Paulo	São Paulo	4,13
77	Casa Amarela da Araucária	Instituto Recriar	120.000,00	Porto Alegre	Rio Grande do Sul	3,87
78	Atendimento à Família	Centro de Atendimento Biopsicossocial Meu Guri	26.057,00	São Paulo	São Paulo	3,63
79	Roda D'Água	Associação de Agroturismo Acolhida na Colônia	158.500,00	Santa Rosa do Sul	Santa Catarina	24,40
80	Escola Popular de Comunicação	Observatório de Favelas do Rio de Janeiro	150.000,00	Rio de Janeiro	Rio de Janeiro	23,70

*Note:* This sample is formed with all the projects that were already funded in the Brazilian Social Stock Exchange in May 2010.